

Idaho Grain Market Report, April 23, 2020—NEW CROP PRICES

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday April 22, 2020. Barley prices in \$/Cwt. And wheat prices in \$/bu.

| | Barley (Cwt.) FEED 48 lbs or better | MALTING Open Market Malting | Wheat (bu.) Milling #1 SWW | #1 HRW 11.5% Protein | #1 DNS 14% Protein | #1 HWW |
|---------------------------------------|---|---|--|-------------------------------------|-------------------------------|---------------|
| Rexburg / Ririe | 5.75-6.50 | | 4.20-4.37 | 4.55 | 4.78 | 4.55-4.60 |
| Idaho Falls | | 8.30-8.33 | | | | |
| Blackfoot / Pocatello | | 7.06 | | | | |
| Grace / Soda Springs | 6.50 | | | 4.44 | 4.78 | 4.44 |
| Burley / Rupert | 6.50 | | 4.31 | 4.64 | 4.76 | 4.64 |
| Twin Falls / Buhl Jerome / Wendell | 5.50 | | 4.45 | | | |
| Nampa / Weiser | | | NA | | | |
| Nezperce / Craigmont | 4.71 | | 5.25 | 5.57 | 6.01 | |
| Lewiston | 5.23 | | 5.51 | 5.83 | 6.27 | |
| Moscow / Genesee | 4.74-4.93 | | 5.28-5.40 | 5.53-5.60 | 6.04-6.11 | |

Prices at Selected Terminal Markets, cash FOB

Wednesday April 22, 2020. Barley prices in \$/Cwt. And wheat prices in \$/bu.

| | #2 Feed Barley 46 lbs. -- | Malting Barley | #1 SWW | #1 HRW 11.5% Protein | #1 DNS 14% Protein | #1 HWW |
|-------------|--|---------------------------|---------------|-------------------------------------|-------------------------------|---------------|
| Portland | | | 6.12-6.15 | 6.20-6.50 | 6.34-6.64 | |
| Ogden | 7.25 | | 4.25 | 4.54 | 4.88 | 4.54 |
| Great Falls | 4.50-6.50 | | | 5.04-5.14 | 5.09-5.33 | |
| Minneapolis | | | | 6.24 | | |

Market News and Trends This Week

BARLEY—Idaho cash feed barley prices were down \$0.50 to up \$0.75 for the week ending April 22. Idaho cash malt barley prices were unchanged for the week. For the period April 10-16, USDA FAS reported no net barley export sales for 2019/2020. No exports were reported for the week.

Barley and Beer Industry News— Montana Farmers say their barley acres have shot up this year according to the U.S. Department of Agriculture prospective plantings report on March 31, 2020. The national survey indicating what farmers intend to grow in 2020 shed light on the tough fall weather conditions of 2020, which not only prevented wheat from seeding, but also resulted in million of dollars of losses for sugar beets, durum wheat, and pulse crops that couldn't be harvested because of heavy rains, snow, and early freezing temperatures. The 2019 brutal winter conditions in Montana resulted in farmers there planting 400,000 fewer winter wheat acres than the previous year. Increases in spring wheat were expected to mirror the decline in winter wheat plantings. Montana growers plan to seed 1.01 million acres of barley according to the report. If intentions hold true, 2020 will be the second highest year for U.S. barley acres since 2003, and Montana would lead the nation in barley acres planted with North Dakota second at 640,000 acres and Idaho third at 510,000. Beer is the biggest driver for barley demand. The crop is grown on contract with brewing companies, which tends to lock in the March acres reported to USDA. The reported barley acres are strong despite lower stock prices for big brewers. AB Inbev announced that it was withdrawing an earlier 2020 outlook that had core profits down 10% because of coronavirus in the first quarter and down as much as 5% the rest of the year.

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Market News and Trends This Week—continued

WHEAT—Idaho cash wheat prices were mixed for the week ending April 22. SWW prices ranged from down \$0.05 to up \$0.11 from the previous week; HRW prices were down \$0.02 to up \$0.21; DNS prices were down \$0.15 to down \$0.10; and HWW prices were down \$0.25 to up \$0.18. USDA FAS reported net export sales for 2019/2020 for the period April 10-16 at 244,700 MT, up 37 percent from the prior week but down 22 percent from the previous 4 week average percent. Increases were to the Philippines (64,900 MT), Vietnam (30,000 MT), Mexico (28,100 MT), Italy (26,400 MT), and Thailand (25,000 MT). Exports of 542,600 MT were down 25 percent from the previous week but up 21 percent from the prior 4-week average.

Wheat News— According to Agricensus, US agri-giant Bunge has agreed a deal to sell 35 of its US grain origination elevators to Japan's Zen Noh Grain Corporation (ZGC), the companies confirmed in press statements late Tuesday. Neither company has disclosed the price paid for the elevators, all of which are located along the Mississippi River, the key artery connecting the US agricultural heartlands to the US Gulf export hub. Zen-Noh, a subsidiary of the National Federation of Agricultural Cooperative Associations of Japan, heralded the deal as a major investment in securing key supply infrastructure tying Japan's vital destination market ever closer to the US origination markets." This acquisition contributes to ZGC's ability to adequately source a stable supply of grains, oilseeds, and feed ingredients for Japan and other destinations by strengthening its origination across a broader footprint in the US," the ZGC press release said. "Bunge will continue to be an industry leader in the U.S. grain marketplace through global grain trading and distribution with our export terminals in Destrehan, Louisiana, which we are expanding, and EGT, our joint venture in the Pacific Northwest," Heckman said in the press release. Japan is a significant customer for US produce and is the world's second-biggest importer of US corn along with being a significant importer of US wheat and soybeans.

CORN—USDA FAS reported net export sales for 2019/2020 for period April 10-16 of 726,700 MT, increases were primarily to Mexico (221,100 MT), Colombia (123,500 MT), Taiwan (88,000 MT), Vietnam (86,300 MT), and the Philippines (60,000 MT). Exports of 830,800 MT were to Mexico (285,100 MT), Colombia (165,100 MT), South Korea (67,600 MT), Vietnam (56,300 MT), Colombia, and Japan (51,600).

Ethanol Corn Usage—DOE's Energy Information Agency (EIA) reported ethanol production for the week ending April 17 averaged 563 thousand bbls/day – down 1.23 percent from the previous week and down 46.28 percent from last year. Total ethanol production for the week was 3.941 million barrels. Ethanol stocks were 27.689 million bbls on April 17, up 0.80 percent from last week and up 21.73 percent from last year. An estimated 55.6 million bu of corn was used in last week's production bringing this crop year's cumulative corn usage for ethanol production at 3.25 billion bu. Corn used needs to average 93.306 million bu per week to meet USDA estimate of 5.05 billion bu for the crop year.

Futures Market News and Trends—Week Ending April 23, 2020

FUTURES MARKET SETTLEMENT PRICES for the Week Ending Thursday, April 23, 2020:

| Commodity | May 2020 | Week Change | July 2020 | Week Change | September 2020 | Week Change | December 2020 | Week Change |
|-----------|----------|-------------|-----------|-------------|----------------|-------------|---------------|-------------|
| CHI SRW | \$5.47 | \$0.13½ | \$5.44¾ | \$0.11 | \$5.46½ | \$0.07¾ | \$5.52½ | \$0.05½ |
| KC HRW | \$4.85½ | \$0.09¾ | \$4.93¼ | \$0.08 | \$4.99½ | \$0.07¾ | \$5.09½ | \$0.08 |
| MGE DNS | \$5.05½ | -\$0.01¼ | \$5.19¾ | \$0.00¼ | \$5.30¼ | \$0.00 | \$5.43 | \$0.01 |
| CORN | \$3.19¼ | -\$0.03 | \$3.26 | -\$0.03¼ | \$3.29¾ | -\$0.04 | \$3.38¾ | -\$0.04¾ |

WHEAT FUTURES—Wheat futures prices are up overall with a higher export sales. **Wheat futures prices ranged from down \$0.01¼ to up \$0.13½(per bu) compared to the previous week.**

CORN FUTURES—Corn futures prices are down with a decline in domestic and global demand for market week ending April 23. **Corn futures prices ranged from \$0.03 to down \$0.04¾ (per bu) under the previous week.**

CRUDE OIL FUTURES—We saw a historic crash of the oil futures market this week where the WTI plunged into negative territory for the first time in history and U.S. oil prices were at their lowest level since 1999. Oil is the largest commodity traded worldwide and this volatility is having a huge impact on other commodity prices including seeing 30-year lows in corn prices. While the oil market bottom was hit, it will take big production cuts and more economic recovery to see price recovery make much ground. See price chart on page 4.

EIA reported U.S. crude oil refinery inputs averaged 12.5 million bbls/day during the week ending April 17, 2020 was 209 thousand bbls/day less than last week's average. Refineries operated at 67.6% of capacity last week. As of April 17, there was an increase in Crude Oil stocks of 15.022 million bbls from last week to 518.64 million bbls, over the 5-year average of 477.313 million bbls. Distillate stocks increased by 7.876 million bbls to a total of 136.88 million bbls, under the 5-year average of 137.637 million bbls; while gasoline stocks increased by 1.017 million bbls to 263.234 million bbls, over the 234.477 million bbl 5-year average. The national average retail regular gasoline price was \$1.812 per gallon on April 20, \$0.041 lower than last week's price and \$1.029 under a year ago. The national average retail diesel fuel price was \$2.480 per gallon, down \$0.027 per gallon from last week's level and down \$0.667 from a year ago.

NYMEX Crude Oil Futures finished the week ending Thursday, April 23, 2020 to close at \$16.50/bbl (May contract), down \$1.77 for the week.

National Drought Summary for April 21, 2020:

Northeast– The region is drought free.

Southeast– Temperatures were below normal in most of Florida. Central Alabama and Georgia recorded 200-400% of normal precipitation.

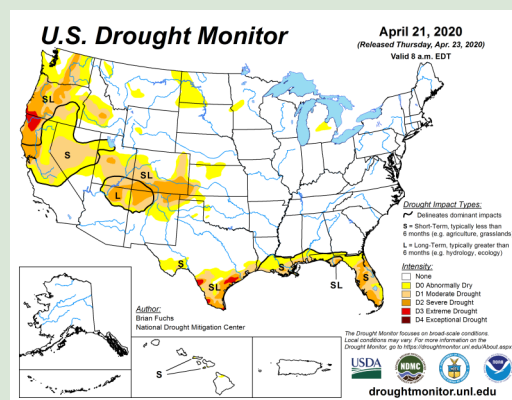
South– Abnormally dry conditions and moderate drought were expanded over portions of the Texas and Oklahoma panhandles with a couple of new pockets of abnormally dry conditions in western Oklahoma into Texas.

Midwest– Abnormally dry conditions were introduced into Michigan and Minnesota this week.

High Plains– New areas of abnormally dry conditions were introduced over most of western North Dakota into northwest South Dakota this week.

West–A new area of extreme drought was introduced this week in northern California and southwest Oregon. Drought areas expanded in and intensified over much of Oregon while abnormally dry conditions expanded over western Washington.

Looking Ahead– Rainfall expected over the Lower Mississippi Valley, into the Ohio River Valley and into the Southeast, including Florida. Some coastal precipitation in Washington and into Oregon.



USDA U.S. Crop Weather Highlights—April 23, 2020

West—Warm conditions across California and the Southwest benefitting fieldwork and crop development. Rain and snow showers in the Northwest slowing fieldwork but boosting topsoil moisture, which was rated 50% very short to short in Washington on April 19.

Plains—Several tornadoes in Oklahoma, recovery efforts are underway. Dry conditions across the central and southern Plains. Light showers on the northern Plains. Wet, cool soil limits planting in the Dakotas, only 11% of the oats and 9% of the spring wheat had been planted by April 19.

Corn Belt—Cool weather across the Great Lakes region. Morning freezes from northern Minnesota into Upper Michigan. Rain is limiting fieldwork in the Ohio and middle Mississippi Valleys. Planting continues in parts of the western Corn Belt.

South—Dry conditions from the Mississippi Delta westward. Heavy rainfall across the Southwest. Flash flooding in parts of Mississippi and Alabama. Strong thunderstorms from central and southern Alabama to New Orleans, Louisiana.

Outlook for U.S.—Two spring storms across the country. The storms could produce at least 1-2 inches of rainfall from southern and eastern Corn Belt into the mid Atlantic States and southern New England. Heavy rainfall and severe thunderstorms across the Southeast. Dry conditions from California to the southern Plains. Warm conditions in the Plains. Chilly conditions in much of the eastern U.S. The NWS 6-10 day weather outlook for April 28– May 2 calls for near or above normal temperatures from the Mississippi River eastward. Warmer than normal conditions in southern Florida and from the Pacific Coast to the Plains. Near to below normal rainfall across most of the country. Above normal rainfall from the Great Lakes region into the Northeast.

International Crop Weather Highlights—April 21, 2020

Europe—Short term dryness in central and northern Europe reducing soil moisture for vegetative to reproductive winter wheat and rapeseed. Light showers eased dryness in England and western France. Good to excellent prospects for reproductive wheat and barley in Spain.

Middle East—Heavy rainfall maintained good to excellent prospects for vegetative to reproductive winter grains in Iran. Showers maintained favorable moisture for wheat and barley in Turkey and the eastern Mediterranean Coast.

Asia—Heat across Pakistan, pre monsoon planting preparations continue. Rainfall in eastern China favored reproductive rapeseed, above average temperatures advanced development. Hot, showery conditions in Thailand and environs, rice growers prepare for a wet season. Rainfall in southern sections of the Indonesia and Malaysia favored oil palm.

Australia—Dry conditions in the east benefited cotton and sorghum drydown and harvesting. Early winter wheat planting in the north.

South America—Light showers in major production areas of Parana, Brazil. Heavy rainfall favored corn and cotton farther north. Rainfall in central Argentina benefited immature corn and soybeans.

Mexico—Light rainfall improved summer crop prospects, including sugarcane. More rainfall is needed for planting across the southern plateau corn belt.

Northwestern Africa—Rainfall eased drought but were too late to improve yield prospects for wheat and barley in Morocco and western Algeria. Sunny, warm conditions benefited reproductive winter grains in Tunisia and eastern Algeria. Crop prospects recovered from the winter drought in the east.

USDA Crop Progress/Condition Report April 20, 2020

| Crop | % Progress | Previous Week | Previous Year | 5-Year Average | Condition Rating % Good/Excellent | Previous Week | Previous Year |
|--------------------------------|------------|---------------|---------------|----------------|-----------------------------------|---------------|---------------|
| US Winter Wheat Headed | 14% | 6% | 8% | 15% | 57% | 62% | 62% |
| ID Winter Wheat Headed | - | NA | - | 1% | 70% | - | - |
| US Spring Wheat Planted | 7% | 5% | 4% | 18% | 15% | - | - |
| ID Spring Wheat Planted | 54% | 42% | 34% | 45% | - | - | - |
| US Barley Planted | 16% | 12% | 14% | 24% | - | - | - |
| ID Barley Planted | 42% | 32% | 39% | 51% | - | - | - |
| US Barley Emerged | 3% | NA | 1% | 4% | - | - | - |
| ID Barley Emerged | 7% | NA | 6% | 14% | - | - | - |
| US Corn Planted | 7% | 3% | 5% | 9% | - | - | - |

Historic Oil Market Crash This Week U.S. Oil Price Chart by Statista April 20, 2020

U.S. Oil Price Collapses To Lowest Level Since 1999

Daily price per barrel of WTI crude oil (dollars per barrel)*



* West Texas Intermediate (a benchmark for U.S. crude oil prices)

Source: U.S. Energy Information Administration

